

Stephanie R. Alexander
MICHAEL & ALEXANDER PLLC
701 Pike Street, Suite 1150
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Phone: (206) 442-9696

THE HONORABLE KAREN A. OVERSTREET
CHAPTER 11

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF WASHINGTON AT SEATTLE

In re)	
)	No. 10-10209
QL2 SOFTWARE, INC.,)	
)	Adv. Proc. No.
Debtor.)	
_____)	NOTICE OF REMOVAL
)	
RUSSELL B. ALDRICH,)	
)	
Plaintiff,)	
)	
v.)	
)	
ROBERT GENISE, WILLIAM)	
TENNESON, and BRIAN VINCENT, in)	
their representative and individual)	
capacities,)	
)	
Defendants.)	
_____)	

TO: The Clerk of Court, United States District Court, Western District of Washington

AND TO: Sheryl J. Willert, and Williams Kastner & Gibbs, PLLC, counsel of record for
plaintiff Russell B. Aldrich in the Superior Court of Washington for King County, No. 10-2-
14542-7 SEA, *Russell B. Aldrich v. William Tenneson, et al.* ("Civil Action").

NOTICE OF REMOVAL - 1
No. 10-10209

MICHAEL & ALEXANDER PLLC
701 Pike Street, Suite 1150
Seattle, WA 98101
(206) 442-9696

1 **AND TO:** Diana K. Carey, bankruptcy counsel for QL2 Software, Inc.

2 You are hereby notified of the removal of all claims and causes of action asserted by
3 Russell B. Aldrich against Robert Genise, William Tenneson, and Brian Vincent (collectively
4 "Directors") at issue in the Superior Court of Washington for King County, No. 10-2-14542-7
5 SEA, *Russell B. Aldrich v. William Tenneson, et al.*, to the United States Bankruptcy Court for
6 the Western District of Washington at Seattle (the "Bankruptcy Court") by the Directors,
7 pursuant to 28 U.S.C. § 1452 and Bankruptcy Rule 9027.

8 **I. FACTS ENTITLING THE DIRECTORS TO REMOVE**

9 A. The Civil Action was initiated on or about April 20, 2010, by Russell B. Aldrich
10 ("Aldrich") against the Directors, alleging failure to pay wages to which Aldrich was lawfully
11 entitled pursuant to a contract.

12 B. QL2 Software, Inc. ("QL2") filed for chapter 11 bankruptcy protection on
13 January 11, 2010, in the United States Bankruptcy Court for the Western District of Washington
14 at Seattle, No. 10-10209; QL2 was and remains a debtor-in-possession. The Directors are all of
15 the Board of Directors of QL2. Mr. Aldrich commenced employment by QL2 in August 2008
16 and his employment was terminated in April 2010 (*i.e.*, post-petition).

17 C. The resolution of the Civil Action will determine the extent to which the plaintiff
18 is entitled to severance in the Debtor's bankruptcy estate. Accordingly, the Civil Action is
19 related to the above-captioned action presently pending in the Bankruptcy Court.

20 D. The United States District Court for the Western District of Washington at
21 Seattle has jurisdiction over the Civil Action under 28 U.S.C. § 1334 because it is related to the
22 above-captioned action presently pending in the Bankruptcy Court.

23 E. The Civil Action is a civil action other than a proceeding before the Tax Court or

1 a civil action by a governmental unit to enforce the governmental unit's police or regulatory
2 power. The Directors consent to entry of final orders of judgment by the bankruptcy judge.

3 F. Upon removal of the claims against the Directors in the Civil Action, the
4 proceeding will be a core proceeding under 28 U.S.C. § 157(b)(2)(B) because it concerns the
5 allowance or disallowance of claims from property of the Debtor's bankruptcy estate, plus it
6 affects the administration of the estate, and, in particular, the interpretation of bankruptcy rights
7 including the entitlement to severance pursuant to 11 U.S.C. § 503(c)(2) and obtaining of credit
8 under 11 U.S.C. § 364(d)(1).

9 II. PROCESS AND PLEADINGS

10 A copy of all process and pleadings filed in the Civil Action are attached to this Notice
11 of Removal.

12 Dated this 10th day of May, 2010.

13 MICHAEL & ALEXANDER PLLC

14 By: 

15 Stephanie R. Alexander, WSBA #28007
16 Thomas P. Holt, WSBA #39722
17 Attorneys for Defendants Robert Genise, et al.
18 701 Pike Street, Suite 1150
19 Seattle, WA 98101
20 Phone: (206) 442-9696
21 Fax: (206) 442-9699
22 stephanie@michaelandalexander.com
23 tom@michaelandalexander.com

1 **CERTIFICATE OF SERVICE**

2 I hereby certify that I electronically filed the foregoing with the Clerk of the Court using
3 the CM/ECF System which will send notification of such filing to the following:

4 Counsel for the plaintiff, Russell B. Aldrich:

5 Sheryl J. Willert, WSBA #08617
6 Williams, Kastner & Kibbs PLLC
601 Union Street, Suite 4100
7 Seattle, WA 98101-2380
Phone: (206) 628-6600
8 Fax: (206) 628-6611
Email: swillert@williamskastner.com

9 I hereby certify that I have mailed by United States Postal Service the document to the
10 following non-CM/ECF participants to this adversary case:

11 Bankruptcy Counsel for QL2, Inc.:

12 Diana K. Carey, WSBA # 16239
13 Karr Tuttle Campbell
1201 Third Avenue, Suite 2900
14 Seattle, WA 98101
Phone: (206) 224-8066
15 Fax: (206) 682-7100
Email: dcarey@karrtuttle.com

16 DATED this 10th day of May, 2010.

17 
18 Sandra Stepper

19
20
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22
23
24 NOTICE OF REMOVAL - 4
25 No. 10-10209

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(206) 442-9696

RECEIVED @ 2:30 PM
PDL @ OLZ OFFICES

SUPERIOR COURT OF WASHINGTON
COUNTY OF KING

Russel B. Aldrich

NO. 10-2-14542-7 SEA

VS

CASE INFORMATION COVER SHEET
AND AREA DESIGNATION

William Tenneson

CAUSE OF ACTION

(COM) - CONTRACT/COMMERCIAL

AREA DESIGNATION

SEATTLE - Defined as all King County north of Interstate 90 and including all of Interstate 90 right of way, all of the cities of Seattle, Mercer Island, Issaquah, and North Bend, and all of Vashon and Maury Islands.

SUPERIOR COURT OF WASHINGTON FOR KING COUNTY

RUSSELL B. ALDRICH, an individual,

NO.

Plaintiff,

SUMMONS (20 Days)

v.

CR 4 (b)

WILLIAM TENNESON, ROBERT GENISE
and BRIAN VINCENT, in their representative
and individual capacities,

(SM)

Defendants.

TO THE DEFENDANTS WILLIAM TENNESON, ROBERT GENISE and BRIAN
VINCENT, in their representative and individual capacities:

A lawsuit has been started against you in the above entitled court by RUSSELL B.
ALDRICH, plaintiff. Plaintiff's claim is stated in the written complaint, a copy of which is
served upon you with this summons.

In order to defend against this lawsuit, you must respond to the complaint by stating
your defense in writing, and by serving a copy upon the person signing this summons within
20 days after the service of this summons, excluding the day of service, or a default judgment
may be entered against you without notice. A default judgment is one where plaintiff is
entitled to what he asks for because you have not responded. If you serve a notice of
appearance on the undersigned person, you are entitled to notice before a default judgment may
be entered.

You may demand that the plaintiff file this lawsuit with the court. If you do so, the
demand must be in writing and must be served upon the person signing this summons. Within
14 days after you serve the demand, the plaintiff must file this lawsuit with the court, or the
service on you of this summons and complaint will be void.

If you wish to seek the advice of an attorney in this matter, you should do so promptly
so that your written response, if any, may be served on time.

SUMMONS--1

Williams, Kastner & Gibbs PLLC
601 Union Street, Suite 4100
Seattle, Washington 98101-2380
(206) 624-6600

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This summons is issued pursuant to Rule 4 of the Superior Court Civil Rules of the State of Washington.

DATED this 20th day of April, 2010.

s/Sheryl J. Willert, WSBA #08617
Attorney for Plaintiff Russell E. Aldrich
WILLIAMS, KASTNER & GIBBS PLLC
601 Union Street, Suite 4100
Seattle, WA 98101-2380
Telephone: (206) 628-6600
Fax: (206) 628-6611
Email: swillert@williamskastner.com

SUMMONS - 2

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SUPERIOR COURT OF WASHINGTON FOR KING COUNTY

RUSSELL B. ALDRICH, an individual,

Plaintiff,

v.

WILLIAM TENNESON, ROBERT GENISE
and BRIAN VINCENT, in their representative
and individual capacities,

Defendants.

NO.

COMPLAINT BREACH OF
CONTRACT AND WRONGFUL
WITHHOLDING OF WAGES

I. INTRODUCTION

1. Plaintiff brings this action against Defendants for failure to pay wages to which he is lawfully entitled pursuant to a contract. He alleges as follows:

II. PARTIES

2. Plaintiff Russell B. Aldrich ("Plaintiff") is a resident of King County and was employed by Defendant, QL2, Inc., pursuant to a contract dated August, 2008.

3. Brian Vincent ("Vincent") is the interim CEO of QL2 and has decision making authority over payments made pursuant to Plaintiff's contract. Vincent is directing the failure or delay of payments to Plaintiff. On information and belief, Brian Vincent is a resident of King County, Washington.

4. On information and belief, William Tenneson ("Tenneson") is a member of the Board of Directors and directed and/or is directing the actions of those at QL2 who have responsibility for issuance of payment.

COMPLAINT BREACH OF CONTRACT AND WRONGFUL
WITHHOLDING OF WAGES -1

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1 5. On information and belief, Robert Genise ("Genise") is a member of the Board
2 of Directors and directed and/or is directing and/or is acquiescing in the actions of Vincent,
3 Tenneson and those who have responsibility for issuance of payments at QL2.

4 III. JURISDICTION AND VENUE

5 6. QL2, Inc. ("QL2") is a Washington Corporation with its primary place of
6 business in Seattle, Washington. QL2 employed Plaintiff pursuant to a written contractual
7 agreement as its Vice President, Operations and General Counsel commencing on October 1,
8 2008 in Seattle, Washington.

9 7. This Court has jurisdiction over the parties pursuant to R.C.W. 2.08.010 because
10 QL2 conducts business in Washington. Brian Vincent and William Tenneson, as individuals,
11 transacted business on behalf of QL2 in King County, Washington.

12 8. Venue is proper in this Court pursuant to R.C.W. 4.12.025 because both QL2
13 and Brian Vincent, Robert Genist and William Tenneson, as individuals, conducted business in
14 King County, Washington.

15 IV. FACTUAL BACKGROUND

16 9. In August 2008, QL2 hired Russell B. Aldrich to act as its Chief Executive
17 Officer. Plaintiff commenced his employment on August 12, 2008.

18 10. Plaintiff continued in the employ of QL2 continuously from August 12, 2008
19 through the termination of his employment on April 5, 2010.

20 11. At the commencement of his employment, Plaintiff signed an employment
21 contract which provided that in the event of termination he would receive severance as follows:

22 8. Benefits Upon Termination of Employment

23 a. Payments upon Termination Pursuant to Section 7(b). If during the
24 term of this Agreement, Executive's employment is terminated by Company
25 pursuant to Section 7(b), Executive shall be entitled to receive the following:

(1) Severance Payment. Company shall pay Executive his Base
Compensation for a six (6) month period following the termination ("Severance
Period") together with the bonus amount that would otherwise have been paid for
such six (6) month period but for the termination, plus any amounts to which
Executive is entitled under then-current Company Policies (together referred to as
"Severance Payment"), as well as any reimbursable expenses not yet paid. Such

COMPLAINT BREACH OF CONTRACT AND WRONGFUL
WITHHOLDING OF WAGES - 2

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1 Base Compensation shall be determined with reference to the Base Compensation
2 in effect for the month in which the date of the termination of Executive's
employment.

3 (2) Stock Options. Of the stock options then held by Executive
4 that have not yet vested as of the date of termination, the amount equal to those that
would have otherwise vested, but for the termination, at the end of (1) the Severance
5 Period, or (2) one year from Executive's Start Date, whichever is greater, shall
become immediately vested and remain exercisable for three (3) months following
6 Executive's termination of employment. Further, all vested but unexercised options
shall remain exercisable for such three-month period.

7 (3) Method of Payment. The Severance Payment shall be made
8 in monthly payments during the Severance Period, or shall be paid in a lump sum at
9 the next pay period following the termination date, at the Company's option.

10 (4) Health, Welfare and Insurance Benefits. Company shall
reimburse Executive for the cost of acquiring health insurance for the duration of
11 the Severance Period, through COBRA, or, to the extent all or part of such benefits
are not available through COBRA, through the independent purchase of comparable
12 benefits.

13 12. In January, 2010, QL2 filed for bankruptcy in the United States Bankruptcy
14 Court as a Debtor in Possession.

15 13. Plaintiff's employment with QL2 was terminated on April 14, 2010 Plaintiff
was due to receive his final pay from the company in the amount of \$11,503.09. Defendants
16 failed to make such payments and advised that they were withholding such payments.

17 14. Defendants Vincent, Genise and Tenneson have control over the funds that are
18 due and owing to Plaintiff and have continued to refuse to make such payments.

19 15. As of April 19, 2010, Defendants have failed to make all payments which are
20 required.

21 V. CLAIMS

22 16. Defendants have failed to make payments which were due and owing to
23 Plaintiff pursuant to his employment contract.

24 17. Defendants' failure to make such payments constitutes a breach of contract.

25 18. Defendants' failure to make such payments constitutes a violation of R.C.W.
49.48. *et seq.* and R.C.W. 49.52. *et seq.*

COMPLAINT BREACH OF CONTRACT AND WRONGFUL
WITHHOLDING OF WAGES - 3

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1 19. Consistent with Washington law, Defendants' failure to make such payments is
2 not excused by lack of funds or a desire to defer payments.

3 20. Consistent with Washington law, any individual who exercises control over the
4 payment of funds and acts under that authority and fails to make payments is personally liable.

5 **VL DAMAGES**

6 21. As a result of Defendants' actions, Plaintiff seeks an order directing immediate
7 payment of all funds due and owing.

8 22. As a result of Defendants' actions, Plaintiff seeks an order directing acceleration
9 of all funds due and owing pursuant to the contract of employment dated August, 2008.

10 23. As a result of Defendants' actions, if the court does not accelerate payments,
11 Plaintiff seeks an injunction prohibiting Defendants from failing to make timely payment of all
12 funds due and owing.

13 24. As a result of Defendants' actions, Plaintiff seeks double damages and attorneys
14 fees as provided for in R.C.W. 49.48 *et seq.* and R.C.W. 49.52, *et seq.* and whatever other
15 relief is available pursuant to R.C.W. Title 49.

16 25. As a result of Defendants' actions, Plaintiff seeks whatever other relief the
17 Court deems just and equitable.

18 DATED this 20th day of April, 2010.

19 s/Sheryl J. Willert, WSBA #08617
20 Attorney for Plaintiff Russell B. Aldrich
21 WILLIAMS, KASTNER & GIBBS PLLC
22 601 Union Street, Suite 4100
23 Seattle, WA 98101-2380
24 Telephone: (206) 628-6600
25 Fax: (206) 628-6611
Email: swillert@williamskastner.com

COMPLAINT BREACH OF CONTRACT AND WRONGFUL
WITHHOLDING OF WAGES -4

28014261

Williams, Kastner & Gibbs PLLC
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Seattle, Washington 98101-2380
(206) 628-6600

**IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON
IN AND FOR THE COUNTY OF KING**

Russel B. Aldrich

vs

William Tenneson

Plaintiff(s)

Defendant(s)

NO. 10-2-14542-7 SEA

Order Setting Civil Case Schedule (*ORSCS)

ASSIGNED JUDGE Hayden 16

FILE DATE: 04/20/2010

TRIAL DATE: 10/03/2011

A civil case has been filed in the King County Superior Court and will be managed by the Case Schedule on Page 3 as ordered by the King County Superior Court Presiding Judge.

I. NOTICES

NOTICE TO PLAINTIFF: The Plaintiff may serve a copy of this Order Setting Case Schedule (Schedule) on the Defendant(s) along with the *Summons and Complaint/Petition*. Otherwise, the Plaintiff shall serve the Schedule on the Defendant(s) within 10 days after the later of: (1) the filing of the *Summons and Complaint/Petition* or (2) service of the Defendant's first response to the *Complaint/Petition*, whether that response is a *Notice of Appearance*, a response, or a Civil Rule 12 (GR 12) motion. The Schedule may be served by regular mail, with proof of mailing to be filed promptly in the form required by Civil Rule 5 (GR 5).

"I understand that I am required to give a copy of these documents to all parties in this case."

Print Name

Sign Name

Order Setting Civil Case Schedule (*ORSCS)

REV. 12/08 1

1. NOTICES (continued)

NOTICE TO ALL PARTIES:

All attorneys and parties should make themselves familiar with the King County Local Rules [KCLR] – especially those referred to in this *Schedule*. In order to comply with the *Schedule*, it will be necessary for attorneys and parties to pursue their cases vigorously from the day the case is filed. For example, discovery must be undertaken promptly in order to comply with the deadlines for joining additional parties, claims, and defenses, for disclosing possible witnesses [See KCLR 26], and for meeting the discovery cutoff date [See KCLR 37(g)].

CROSSCLAIMS, COUNTERCLAIMS AND THIRD PARTY COMPLAINTS:

A filing fee of \$200 must be paid when any answer that includes additional claims is filed in an existing case.

KCLR 4.2(a)(2)

A Confirmation of Joinder, Claims and Defenses or a Statement of Arbitrability must be filed by the deadline in the schedule. The court will review the confirmation of joinder document to determine if a hearing is required. If a Show Cause order is issued, all parties cited in the order must appear before their Chief Civil Judge.

PENDING DUE DATES CANCELED BY FILING PAPERS THAT RESOLVE THE CASE:

When a final decree, judgment, or order of dismissal of all parties and claims is filed with the Superior Court Clerk's Office, and a courtesy copy delivered to the assigned judge, all pending due dates in this *Schedule* are automatically canceled, including the scheduled Trial Date. It is the responsibility of the parties to 1) file such dispositive documents within 45 days of the resolution of the case, and 2) strike any pending motions by notifying the bailiff to the assigned judge.

Parties may also authorize the Superior Court to strike all pending due dates and the Trial Date by filing a *Notice of Settlement* pursuant to KCLR 41, and forwarding a courtesy copy to the assigned judge. If a final decree, judgment or order of dismissal of all parties and claims is not filed by 45 days after a *Notice of Settlement*, the case may be dismissed with notice.

If you miss your scheduled Trial Date, the Superior Court Clerk is authorized by KCLR 41(b)(2)(A) to present an *Order of Dismissal*, without notice, for failure to appear at the scheduled Trial Date.

NOTICES OF APPEARANCE OR WITHDRAWAL AND ADDRESS CHANGES:

All parties to this action must keep the court informed of their addresses. When a Notice of Appearance/Withdrawal or Notice of Change of Address is filed with the Superior Court Clerk's Office, parties must provide the assigned judge with a courtesy copy.

ARBITRATION FILING AND TRIAL DE NOVO POST ARBITRATION FEE:

A Statement of Arbitrability must be filed by the deadline on the schedule if the case is subject to mandatory arbitration and service of the original complaint and all answers to claims, counterclaims and cross-claims have been filed. If mandatory arbitration is required after the deadline, parties must obtain an order from the assigned judge transferring the case to arbitration. Any party filing a Statement must pay a \$220 arbitration fee. If a party seeks a trial de novo when an arbitration award is appealed, a fee of \$250 and the request for trial de novo must be filed with the Clerk's Office Cashiers.

NOTICE OF NON-COMPLIANCE FEES:

All parties will be assessed a fee authorized by King County Code 4.71.050 whenever the Superior Court Clerk must send notice of non-compliance of schedule requirements and/or Local Civil Rule 41.

King County Local Rules are available for viewing at www.kingcounty.gov/courts/clerk.

II. CASE SCHEDULE

CASE EVENT	DEADLINE or EVENT DATE	Filing Needed
Case Filed and Schedule Issued.	Tue 04/20/2010	*
Last Day for Filing Statement of Arbitrability without a Showing of Good Cause for Late Filing [See KCLMAR 2.1(a) and Notices on Page 2]. \$220 arbitration fee must be paid	Tue 09/28/2010	*
DEADLINE to file Confirmation of Joinder if not subject to Arbitration. [See KCLCR 4.2(a) and Notices on Page 2].	Tue 09/28/2010	*
DEADLINE for Hearing Motions to Change Case Assignment Area. [See KCLCR 82(e)]	Tue 10/12/2010	
DEADLINE for Disclosure of Possible Primary Witnesses [See KCLCR 26(b)].	Mon 05/02/2011	
DEADLINE for Disclosure of Possible Additional Witnesses [See KCLCR 26(b)].	Mon 06/13/2011	
DEADLINE for Jury Demand [See KCLCR 38(b)(2)].	Mon 06/27/2011	*
DEADLINE for Setting Motion for a Change in Trial Date [See KCLCR 40(d)(2)].	Mon 06/27/2011	*
DEADLINE for Discovery Cutoff [See KCLCR 37(g)].	Mon 08/15/2011	
DEADLINE for Engaging in Alternative Dispute Resolution [See KCLCR 16(b)].	Tue 09/06/2011	
DEADLINE for Exchange Witness & Exhibit Lists & Documentary Exhibits [See KCLCR 4(f)].	Mon 09/12/2011	
DEADLINE to file Joint Confirmation of Trial Readiness [See KCLCR 16(a)(2)].	Mon 09/12/2011	*
DEADLINE for Hearing Dispositive Pretrial Motions [See KCLCR 56; CR 56].	Mon 09/19/2011	
Joint Statement of Evidence [See KCLCR 43(k)].	Mon 09/26/2011	*
DEADLINE for filing Trial Briefs, Proposed Findings of Fact and Conclusions of Law and Jury Instructions (Do not file Proposed Findings of Fact and Conclusions of Law with the Clerk)	Mon 09/26/2011	*
Trial Date [See KCLCR 40].	Mon 10/03/2011	

III. ORDER

Pursuant to King County Local Civil Rule 4 [KCLCR 4], IT IS ORDERED that the parties shall comply with the schedule listed above. Penalties, including but not limited to sanctions set forth in Local Civil Rule 4(g) and Rule 37 of the Superior Court Civil Rules, may be imposed for non-compliance. It is FURTHER ORDERED that the party filing this action must serve this Order, Setting Civil Case Schedule and attachment on all other parties.

DATED: 04/20/2010


PRESIDING JUDGE

Order Setting Civil Case Schedule (*ORSCS)

REV. 12/08 3

IV. ORDER ON CIVIL PROCEEDINGS FOR ASSIGNMENT TO JUDGE

READ THIS ORDER BEFORE CONTACTING YOUR ASSIGNED JUDGE

This case is assigned to the Superior Court Judge whose name appears in the caption of this case schedule. The assigned Superior Court Judge will preside over and manage this case for all pretrial matters.

COMPLEX LITIGATION: If you anticipate an unusually complex or lengthy trial, please notify the assigned court as soon as possible.

APPLICABLE RULES: Except as specifically modified below, all the provisions of King County Local Civil Rules 4 through 26 shall apply to the processing of civil cases before Superior Court Judges. The local civil rules can be found at <http://www.kingcounty.gov/courts/superiorcourt/civil.aspx>.

CASE SCHEDULE AND REQUIREMENTS

Deadlines are set by the case schedule, issued pursuant to Local Civil Rule 4.

THE PARTIES ARE RESPONSIBLE FOR KNOWING AND COMPLYING WITH ALL DEADLINES IMPOSED BY THE COURT'S LOCAL CIVIL RULES.

A. Joint Confirmation regarding Trial Readiness Report:

No later than twenty one (21) days before the trial date, parties shall complete and file (with a copy to the assigned judge) a joint confirmation report setting forth whether a jury demand has been filed, the expected duration of the trial, whether a settlement conference has been held, and special problems and needs (e.g. interpreters, equipment, etc.).

The form is available at <http://www.kingcounty.gov/courts/superiorcourt.aspx>. If parties wish to request a CR 16 conference, they must contact the assigned court. Plaintiff's/petitioner's counsel is responsible for contacting the other parties regarding said report.

B. Settlement/Mediation/ADR

a. Forty five (45) days before the trial date, counsel for plaintiff/petitioner shall submit a written settlement demand. Ten (10) days after receiving plaintiff's/petitioner's written demand, counsel for defendant/respondent shall respond (with a counter offer, if appropriate).

b. Twenty eight (28) days before the trial date, a Settlement/Mediation/ADR conference shall have been held. **FAILURE TO COMPLY WITH THIS SETTLEMENT CONFERENCE REQUIREMENT MAY RESULT IN SANCTIONS.**

C. Trial: Trial is scheduled for 9:00 a.m. on the date on the case schedule or as soon thereafter as convened by the court. The Friday before trial, the parties should access the King County Superior Court website <http://www.kingcounty.gov/courts/superiorcourt.aspx> to confirm trial judge assignment. Information can also be obtained by calling (206) 205-5984.

MOTIONS PROCEDURES

A. Noting of Motions

Dispositive Motions: All summary judgment or other dispositive motions will be heard with oral argument before the assigned judge. The moving party must arrange with the hearing judge a date and time for the hearing, consistent with the court rules. Local Civil Rule 7 and Local Civil Rule 56 govern procedures for summary judgment or other motions that dispose of the case in whole or in part. The local civil rules can be found at <http://www.kingcounty.gov/courts/superiorcourt/civil.aspx>.

Nondispositive Motions: These motions, which include discovery motions, will be ruled on by the assigned judge without oral argument, unless otherwise ordered. All such motions must be noted for a date by which the ruling is requested; this date must likewise conform to the applicable notice requirements. Rather than noting a time of day, the Note for Motion should state "Without Oral Argument." Local Civil Rule 7 governs these motions, which include discovery motions. The local civil rules can be found at <http://www.kingcounty.gov/courts/superiorcourt/civil.aspx>.

Motions in Family Law Cases not involving children: Discovery motions to compel, motions in limine, motions relating to trial dates and motions to vacate judgments/dismissals shall be brought before the assigned judge. All other motions should be noted and heard on the Family Law Motions calendar. Local Civil Rule 7 and King County Family Law Local Rules govern these procedures. The local rules can be found at <http://www.kingcounty.gov/courts/superiorcourt/civil.aspx>.

Emergency Motions: Under the court's local civil rules, emergency motions will be allowed only upon entry of an Order Shortening Time. However, emergency discovery disputes may be addressed by telephone call and without written motion, if the judge approves.

B. Original Documents/Working Copies/ Filing of Documents

All original documents must be filed with the Clerk's Office. Please see information on the Clerk's Office website at www.kingcounty.gov/courts/clerk regarding the new requirement outlined in LGR 30 that attorneys must e-file documents in King County Superior Court. The exceptions to the e-filing requirement are also available on the Clerk's Office website.

The working copies of all documents in support or opposition must be marked on the upper right corner of the first page with the date of consideration or hearing and the name of the assigned judge. The assigned judge's working copies must be delivered to his/her courtroom or the Judges' mailroom. Working copies of motions to be heard on the Family Law Motions Calendar should be filed with the Family Law Motions Coordinator. On June 1, 2009 you will be able to submit working copies through the Clerk's office E-Filing application at www.kingcounty.gov/courts/clerk.

Service of documents. E-filed documents may be electronically served on parties who opt in to E-Service within the E-Filing application. The filer must still serve any others who are entitled to service but who have not opted in. E-Service generates a record of service document that can be e-filed. Please see information on the Clerk's office website at www.kingcounty.gov/courts/clerk regarding E-Service.

Original Proposed Order: Each of the parties must include an original proposed order granting requested relief with the working copy materials submitted on any motion. Do not file the original of the proposed order with the Clerk of the Court. Should any party desire a copy of the order as signed and filed by the judge, a pre-addressed, stamped envelope shall accompany the proposed order.

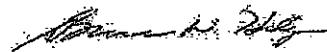
Presentation of Orders: All orders, agreed or otherwise, must be presented to the assigned judge. If that judge is absent, contact the assigned court for further instructions. If another judge enters an order on the case, counsel is responsible for providing the assigned judge with a copy.

Proposed orders finalizing settlement and/or dismissal by agreement of all parties shall be presented to the assigned judge or in the Ex Parte Department. Formal proof in Family Law cases must be scheduled before the assigned judge by contacting the bailiff, or formal proof may be entered in the Ex Parte Department. If final order and/or formal proof are entered in the Ex Parte Department, counsel is responsible for providing the assigned judge with a copy.

C. Form

Memoranda/briefs for matters heard by the assigned judge may not exceed twenty four (24) pages for dispositive motions and twelve (12) pages for nondispositive motions, unless the assigned judge permits over-length memoranda/briefs in advance of filing. Over-length memoranda/briefs and motions supported by such memoranda/briefs may be stricken.

IT IS SO ORDERED. FAILURE TO COMPLY WITH THE PROVISIONS OF THIS ORDER MAY RESULT IN DISMISSAL OR OTHER SANCTIONS. PLAINTIFF/PETITIONER SHALL FORWARD A COPY OF THIS ORDER AS SOON AS PRACTICABLE TO ANY PARTY WHO HAS NOT RECEIVED THIS ORDER.



PRESIDING JUDGE

CONFIRMATION RECEIPT

Case Number: 10-2-14542-7 SEA
Case Title: Russel B. Aldrich vs William Tenneson
Submitted By: Sheryl Willert
Bar Number: 08617
User ID: Willertf
Submitted Date/Time: 4/20/2010 12:23:59 PM
Received Date/Time: 4/20/2010 12:23:59 PM
Payment Reference: 3524841478
Total Cost: \$232.49

DOCUMENTS

Document Type: COMPLAINT

File Name: WKG-#2802566-v1-
Aldrich_Complaint_Breach_of_Contract_and_Wrongful_Withholding_
of_Wages.PDF
Cost: \$0.00

Document Type: ORDER SETTING CASE SCHEDULE

File Name: schedule.pdf
Cost: \$0.00

Document Type: CASE INFORMATION COVER SHEET

File Name: cics.pdf
Cost: \$0.00

Document Type: SUMMONS

File Name: WKG-#2803038-v1-Aldrich_Summons.PDF
Cost: \$0.00

Printed On: 4/20/2010 12:25:11 PM

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RECEIVED @ QL2
4/23/10 11:00 PM

SUPERIOR COURT OF WASHINGTON FOR KING COUNTY

RUSSELL B. ALDRICH, an individual,

Plaintiff,

v.

WILLIAM TENNESON, ROBERT GENISE
and BRIAN VINCENT, in their representative
and individual capacities,

Defendants.

NO. 10-2-14542-7 SEA

AMENDED COMPLAINT FOR
BREACH OF CONTRACT AND
WRONGFUL WITHHOLDING OF
WAGES

I. INTRODUCTION

1. Plaintiff brings this action against Defendants for failure to pay wages to which he is lawfully entitled pursuant to a contract. He alleges as follows:

H. PARTIES

2. Plaintiff Russell B. Aldrich ("Plaintiff") is a resident of King County and was employed by Defendant, QL2, Inc., pursuant to a contract dated August, 2008.

3. Brian Vincent ("Vincent") is the interim CEO of QL2 and has decision making authority over payments made pursuant to Plaintiff's contract. Vincent is directing the failure or delay of payments to Plaintiff. On information and belief, Brian Vincent is a resident of King County, Washington.

4. On information and belief, William Tenneson ("Tenneson") is a member of the Board of Directors and directed and/or is directing the actions of those at QL2 who have responsibility for issuance of payment.

AMENDED COMPLAINT FOR BREACH OF CONTRACT AND
WRONGFUL WITHHOLDING OF WAGES - 1

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1 5. On information and belief, Robert Genise ("Genise") is a member of the Board
2 of Directors and directed and/or is directing and/or is acquiescing in the actions of Vincent,
3 Tenneson and those who have responsibility for issuance of payments at QL2.

4 III. JURISDICTION AND VENUE

5 6. QL2, Inc. ("QL2") is a Washington Corporation with its primary place of
6 business in Seattle, Washington. QL2 employed Plaintiff pursuant to a written contractual
7 agreement as its Vice President, Operations and General Counsel commencing on October 1,
8 2008 in Seattle, Washington.

9 7. This Court has jurisdiction over the parties pursuant to R.C.W. 2.08.010 because
10 QL2 conducts business in Washington. Brian Vincent and William Tenneson, as individuals,
11 transacted business on behalf of QL2 in King County, Washington.

12 8. Venue is proper in this Court pursuant to R.C.W. 4.12.025 because both QL2
13 and Brian Vincent, Robert Genise and William Tenneson, as individuals, conducted business in
14 King County, Washington.

15 IV. FACTUAL BACKGROUND

16 9. In August 2008, QL2 hired Russell B. Aldrich to act as its Chief Executive
17 Officer. Plaintiff commenced his employment on August 12, 2008.

18 10. Plaintiff continued in the employ of QL2 continuously from August 12, 2008
19 through the termination of his employment on April 5, 2010.

20 11. At the commencement of his employment, Plaintiff signed an employment
21 contract which provided that in the event of termination he would receive severance as follows:

22 8. Benefits Upon Termination of Employment:

23 a. Payments upon Termination Pursuant to Section 7(b). If during the
24 term of this Agreement, Executive's employment is terminated by Company
25 pursuant to Section 7(b), Executive shall be entitled to receive the following:

(1) Severance Payment. Company shall pay Executive his Base
Compensation for a six (6) month period following the termination ("Severance
Period") together with the bonus amount that would otherwise have been paid for
such six (6) month period but for the termination, plus any amounts to which
Executive is entitled under then current Company Policies (together referred to as
"Severance Payment"), as well as any reimbursable expenses not yet paid. Such

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1 Base Compensation shall be determined with reference to the Base Compensation
2 in effect for the month in which the date of the termination of Executive's
employment.

3 (2) Stock Options. Of the stock options then held by Executive
4 that have not yet vested as of the date of termination, the amount equal to those that
5 would have otherwise vested, but for the termination, at the end of (1) the Severance
6 Period, or (2) one year from Executive's Start Date, whichever is greater, shall
become immediately vested and remain exercisable for three (3) months following
Executive's termination of employment. Further, all vested but unexercised options
shall remain exercisable for such three-month period.

7 (3) Method of Payment. The Severance Payment shall be made
8 in monthly payments during the Severance Period, or shall be paid in a lump sum at
9 the next pay period following the termination date, at the Company's option.

10 (4) Health, Welfare and Insurance Benefits. Company shall
11 reimburse Executive for the cost of acquiring health insurance for the duration of
12 the Severance Period, through COBRA, or, to the extent all or part of such benefits
are not available through COBRA, through the independent purchase of comparable
benefits.

13 12. In January, 2010, QL2 filed for bankruptcy in the United States Bankruptcy
14 Court as a Debtor in Possession.

15 13. Plaintiff's employment with QL2 was terminated on April 5, 2010. Plaintiff was
16 due to receive his final pay from the company in the amount of \$11,503.09. Defendants failed
17 to make such payments and advised that they were withholding such payments.

18 14. Defendants Vincent, Genise and Tenneson have control over the funds that are
19 due and owing to Plaintiff and have continued to refuse to make such payments.

20 15. As of April 19, 2010, Defendants have failed to make all payments which are
required.

21 V. CLAIMS

22 16. Defendants have failed to make payments which were due and owing to
23 Plaintiff pursuant to his employment contract.

24 17. Defendants' failure to make such payments constitutes a breach of contract.

25 18. Defendants' failure to make such payments constitutes a violation of R.C.W.
49.48. *et seq.* and R.C.W. 49.52. *et seq.*

AMENDED COMPLAINT FOR BREACH OF CONTRACT AND
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1 19. Consistent with Washington law, Defendants' failure to make such payments is
2 not excused by lack of funds or a desire to defer payments.

3 20. Consistent with Washington law, any individual who exercises control over the
4 payment of funds and acts under that authority and fails to make payments is personally liable.

5 **VI. DAMAGES**

6 21. As a result of Defendants' actions, Plaintiff seeks an order directing immediate
7 payment of all funds due and owing.

8 22. As a result of Defendants' actions, Plaintiff seeks an order directing acceleration
9 of all funds due and owing pursuant to the contract of employment dated August, 2008.

10 23. As a result of Defendants' actions, if the court does not accelerate payments,
11 Plaintiff seeks an injunction prohibiting Defendants from failing to make timely payment of all
12 funds due and owing.

13 24. As a result of Defendants' actions, Plaintiff seeks double damages and attorneys
14 fees as provided for in R.C.W. 49.48 *et seq.* and R.C.W. 49.52 *et seq.* and whatever other
15 relief is available pursuant to R.C.W. Title 49.

16 25. As a result of Defendants' actions, Plaintiff seeks whatever other relief the
17 Court deems just and equitable.

18 DATED this 22nd day of April, 2010.

19 s/Sheryl J. Willert, WSBA #08617
20 Attorney for Plaintiff Russell B. Aldrich
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AMENDED COMPLAINT FOR BREACH OF CONTRACT AND
WRONGFUL WITHHOLDING OF WAGES - 4

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